

**Before The
Federal Communications Commission
Washington, D.C.**

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AUG 27 1999

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

In the Matter of

Promotion of Competitive Networks in Local Telecommunications Markets)	WT Docket No. 99-217
Wireless Communications Association International, Inc. Petition for Rulemaking to Amend Section 1.4000 of the Commission's Rules to Preempt Restrictions on Subscriber Premises Reception or Transmission Antennas Designed To Provide Fixed Wireless Services)	
Cellular Telecommunications Industry Association Petition for Rule Making and Amendment of the Commission's Rules to Preempt State and Local Imposition of Discriminatory And/Or Excessive Taxes and Assessments)	
Implementation of the Local Competition Provisions in the Telecommunications Act of 1996)	CC Docket No. 96-98

COMMENTS OF ALLIED RISER COMMUNICATIONS CORPORATION

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Allied Riser Communications Corporation ("ARC"), a facilities-based provider of broadband data, voice and video communications services to small- and medium-sized businesses, submits these comments in response to the FCC's Notices of Proposed Rulemaking in Promotion of Competitive Networks in Local Telecommunications Markets, WT Docket No. 99-217, and Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, FCC 99-141 (rel. July 7, 1999) (together, "Notice"). Under current market conditions, ARC is rapidly deploying the facilities-based, competitive broadband services sought by the FCC and believes that the FCC should be very cautious about imposing new restrictions or obligations.

ARC Is Deploying Competitive In-Building Fiber Optic-Based Communications Networks. ARC is a facilities-based provider of broadband communications services. We typically deliver our services over fiber-optic networks that we construct and operate in large and medium-sized multi-tenant office buildings. In "ARC-Connected™" buildings, ARC offers to all tenants high-speed Internet access, business-oriented television for display on computer desktops and other broadband data services.

ARC is already making these services available to tenants in buildings containing an aggregate of over 35 million rentable square feet in major metropolitan areas across the United States. ARC also has entered into agreements with owners

and managers of several hundred additional buildings and is rapidly constructing its systems to serve tenants in those properties.

Building Access is Available and is Occurring in the Competitive Marketplace. ARC agrees with the FCC that access by competing telecommunications service providers to customers in multiple tenant environments is critical to offering advanced capabilities to consumers (Notice at paras. 3-4). ARC's experience to date is that the market forces resulting from demand for high quality services by customers located in multiple tenant environments are working for tenants, service providers and landlords, and will ensure that this goal will soon be achieved without new regulations.

To deliver its services, ARC requires access rights from landlords for the use of building entrances, equipment space and risers. ARC makes broadband capabilities available to office building tenants through new in-building telecom facilities that compete against the local exchange carriers and telecommunications service providers. The vast majority of ARC's agreements, giving it access to the office buildings where it is constructing systems, were entered into within the past year, many in the past few weeks. All of ARC's building-access agreements are non-exclusive. No agreement guarantees to ARC any preference over other telecom providers. ARC plans to enter into additional building access license agreements in the future, and believes that it can do so under current market conditions.

ARC's experience is that landlords are generally receptive to new providers of the high-quality broadband services that have become an increasingly necessary building amenity for attracting and retaining tenants at a particular property. With regard to telecom services providers, landlords of major office buildings are most interested in facilitating access by providers of state-of-the-art technology offerings which will add to tenant satisfaction. Landlords are motivated to maximize the benefits to and protect the interest of the end-users of services. The FCC's concerns about customers' choices among telecom providers, Notice at paras. 32-33, are effectively implemented through the competitive market for tenants among building owners and the requirements of existing tenants in these buildings. Landlords have been willing to grant ARC access due to its high quality product offerings coupled with its experienced management team and excellent construction, operations, marketing and customer service processes. ARC has also shown its willingness to comply with the reasonable rules and regulations set forth by landlords.

New Regulations Could Chill Building Access. The FCC is correct to seek widespread availability of competitive broadband services in multi-tenant office buildings. However, new regulations could chill the functioning of this competitive market and slow the deployment of these services. Such regulations could spawn long regulatory rulemaking and complaint proceedings as well as court

reviews over issues relating to FCC jurisdiction, takings, cost-based access, fair compensation and nondiscrimination. As a result, landlords may be less willing to go forward to finalize the building access license agreements ARC and other providers need to expand and operate their businesses in light of the threat of new federal regulations which could affect the terms of these competitive, privately-negotiated contracts or future dealings by landlords with telecom providers.

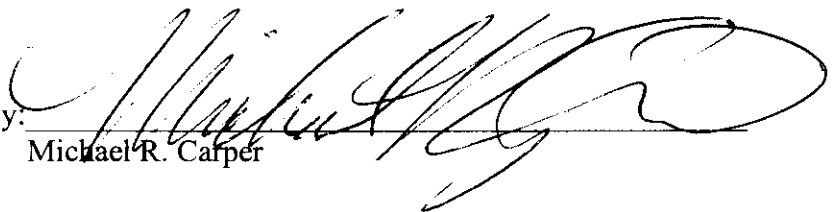
The current market forces governing competitive carrier access to multi-tenant environments are not broken for service providers, tenants or landlords. While the FCC is right to gather facts about this marketplace, it should be very cautious about imposing new restrictions or obligations. Meanwhile, under current market conditions ARC is rapidly deploying the facilities-based, competitive broadband services sought by the FCC.

Respectfully submitted,

ALLIED RISER COMMUNICATIONS CORPORATION

By:

Michael R. Calper

A large, stylized handwritten signature in black ink, likely belonging to Michael R. Calper, is written over a horizontal line. The signature is cursive and fluid, with a large loop at the end.

August 27, 1999